# FOR MYSORE STATE

Dev (1950) Department.

MS SERIES

G.O. No. 2 3 14

Dated 13 6 50

6/-

[Despatch Abstract.]

Textiles – yarn – Domestic Requirements

% State Revenue Agreement to be extended

Draft form of agreement – approved

APPENDIX -1-

THIS AGREEMENT made this day of One thousand nine hundred and fifty BETWEEN, HIS EXCELLENCY THE GOVERNOR OF MADRAS which expression shall include his successors in office and assigns of the one part and son of residing at and carrying on business (hereinafter referred as "the State Nominee which expression shall where the contest so admits shall include his heirs, executors, administrators, legal representatives and assigns) of the other part;

WHEREAS the said has been appointed on the terms and conditions set out hereunder as the State nominee in the District of to receive and distribute yarn allotted to the said district.

NOW THESE PRESENT WITNESS and the parties hereto mutually agree as follows:--

1. The parties hereto will be bound to the terms, conditions and prodedure set out in the Scheme for the appointment of State Nominees as approved by the Government of Madras (hereinafter called the Government) ( a copy of whichis set out in the Schedule hereto) and wh will be entitled to charge commission only to the extent and subject to the conditions specified therein.

2 . The State Nominee shall carry out such instructions as may be issued to him from time to time by the Director of Controlled Commodities, Madras, (nereinafter called the Director) or the Collector of the District in connection with the subject matter of this agreement and in particular shall distribute all the allotted bales to the licensees according to the instructions issued by the Collector from time to time.

3. The State Nominee shall maintain proper accounts and shall keep them available for inspection by the Director or the Collector of the District concerned or any of their subordinates specially appointed for the purpose at all reasonable times during office hours on all working days.

4. This agreement may be determined at any time by either of the parties hereto giving to the other of them calendar months notice in writing.

5. If the State Nominee commits any default in carrying out any of the conditions set out above, the sum of Rs.500/- (Rupees five hundred only) which has been deposited by him for the due, faithful and proper discharge of his undertakings in his capacity as Licencee, or any part thereof shall be forfeited to the Government on the orders of the Director without prejudice to any other rights and remedies that the Government may have against him in respect of such default".

IN WITNESS WHEREOF

acting for and on behalf of and by order and direction of HIS Excellency the Governor of Madras . . ..... State Nominees have hereunto set their respective signatures the day and year first above written.

SIGNED by the abovenamed in
the presence of:

Signed by the above~~named~~ said in
in the presence of.

Schedule.

Scheme for the appointment of State Nominees to lift all the allotted bales of yarn from the mills regularly.

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I. Each Collector will distribute all the weaving centres in the district among the State nominees approved by Government and thus fix the area to be served by each such nominee. Every nominee is expected to prepare a monthly indent showing the counts and quantities of yarn required by the weavers and other consumers in his area (excluding the requirements of weavers who have already joined the Cooperative Societies) and submit the same to the concerned Collector before the 25th of the preceding month to which the indent relates. On the basis of such indents and also the reports of the Textile Inspectors, the Collector will prepare an indent for each month, showing the quantities required under each count, for distribution through the dealers of the district. The quantities shown in this indent under

each count, for distribution through the dealers of the district. The quantities shown in this indent under each count group should not exceed the district quota fixed for distribution, through trade channels upto September 1949. The Collector should prepare his monthly indent in the form given in the annexure and furnish the same to the Director before the close of the preceding month to which the indent relates.

2. According to the revised procedure laid down by the Textile commissioner, Bombay in respect of yarn distribution, commencing from February 1950, the mills are expected to offer to the Director by the 7th of every month two -thirds of their production in each count packed during the month against Textile Commissioner's release orders. The total quanitity of yarn so offered, after setting apart the requirements of the Madras Handloom Weavers Provincial Cooperative Society, and the consumer quota holders, will be distributed to the State Nominees, on the basis of the indents received from the Collectors.

(i) The Director will communicate, in the second week of the month, to the State Nominee (with a copy to the concerned Collector), the counts and quantities of yarn allotted to each. Soon after the receipt of such a communication the State Nominees should intimate the mills, with a copy to the concerned Collector, their acceptance by the 14th of that month:

(ii) They will also be given another week for entering into firm contracts with the mills concerned for the purchase and lifting of bales accepted by them. The date of dates on which the contracts are entered into with the mills should also be intimated to the concerned Collectors promptly. Contracts entered into between the mills and the State Nominees will be between the Mills as sellers and the State Nominees will be between the Mills as sellers and the State Nominees as purchasers and any dispute arising out of the failure of either of the contracting parties in discharge their contractual obligations will be settled according to the usual trade practice.

(iii) Soon after the receipt of intimation referred to in sub para (i) above, the collector, should prepare a list of the licencsees to whom the bales are to be distributed by each nominee, with the number of bales allotted

to each licensee and communicate the same to the State nominee within five days of receipt of the intimation referred to. If the Collector fails to furnish the above list by the prescribed date, the Nominee, is at liberty to sell the bales to any licensee within the district, with a commission of 1 and 1/8 per cent.

(iv) Immediately after the receipt of the distribution list referred to in sub-para (iii) above, the nominee should send intimation to the licensees furnished in the Collector's list, mentioning the number of bales in each count that will be delivered to each and may demand payment of 25% of their value as advance. Within three days of the receipt of such intimation, the licensees should inform the Nominee about their acceptance of the bales and pay 25% of their value, if demanded by the nominee.

(v) The State Nominee, immediately on the receipt of bales from the mills should intimate to the licensees communicated by the Collector about the receipt of bales and ask them to take delivery after payment of the value within five days from the date of such intimation. In case the mills are unable to supply all the quanitities contracted for against the quota for any month, the quanitities to be supplied to individual licensees for that month, should be reduced on pro-rata basis. In cases, where 25% advance payment is demanded and not paid. no such intimation need be sent. If the licensees fail to take delivery of bales accordingly, the Nominee will be at liberty to sell the bales to any other licensee in the district, with a commission of 1 and 1/8%. There may be no objection for the State Nominee to arrange for the despatch of the bales from the mills to the licensees direct, without violating any of the above conditions.

Note: The State Nominee should send intimations to the Collector and the licensees with a certificate of posting.

(vi) The State Nominee can dispose off to any licensee or consumer within the State all the bales not taken delivery of by the licensees according to the procedure explained above, within tend days of the receipt of the bales by him. In respect of the sale of these bales, the State Nominee will get a profit not exceeding 6¼% over the exmill price.

3. The existing margin of 6 and 1/4 per cent will be distributed as follows:--

(a) The State nominee willget 1 and ~~1~~1/8 over the ex-mill price, in the case of all sales made to licensees according to sub-paras (iii), (iv) and (v) of ~~xx~~ para 2.

(b) All licensees referred to in sub-paras (iii), (iv), and (v) above will get 5 and 1/8% over the ex-mill price.

NOTE: The State nomineee can pass on the actual transport charges and sales tax to the licensees to whom the yarn is sold according to the Director of Controlled commodities' Notification No.1074401/49/D3, dated 19-9-~~48~~ 49. It is to be definitely understood that the consumer's price should not in any case exceed 6 and 1/4% over the ex-mill price, besides the actual transport charges and the sales tax.

4. The Collectors should distribute the allotted bales among all the existing licensees in the district. All the bales lifted by the State Nominees should be distributed by the Collectors equitably to all the licensees in the district, taking into consideration the needs of the several weaving centres in the districts in the different counts, the places where the licensees are having their places of business etc., so that consumers may get their yarn easily with the minimum cost for transport.

ANNEXURE

| ame and full address of the STAte Nominees. | Bales (400 lbs each) required from out of 2/3 production. | | Names of Mills from which supplies are preferred. |
|---|---|---|---|
| | Count | No.of bales. | |
| 1. | | | |
| 2. | | | |
| 3. | | | |
| 4. | | | |

Note: In respect of 1s, -- 20s yarn the Textile Commissioner, Bombay promises to make adhoc allocations if additional quanitities are required. So, if additional quanitities are required in these Counts, the minimum requirements may also be furnished.

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(True Copy)

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Abstract:

TEXTILES - Yarn - Distribution - Appointment of State Nominees - Agreement to be executed - Draft form of agreement - Approved.

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Development Department.

G.O.Ms.No.2374 Dated the 13 th June 1950.

Read the following:---

From the D.C.C., Rc.140462 /50/D3, dated 25th May 1950.

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ORDER:

His Excellency the Governor of Madras approves the draft from of the agreement to be executed by the State Nominees submitted by the Director of Controlled Commodities as revised and appended to this Order.

The Director of Controlled Commddities is requested to make suitable modification in the schedule with reference to the orders in G.O.Ms.No.2294 Development date l 7-6-1950.

[H. E. Hussain J
(By Order of His Excellency the Governor)

Sd/-
Secretary to Government.

To the Director of Controlled Commodities.

(True Copy)

Superintendent.

RB: li-8-

K. Shankar 12.8.53.
K.V. Ambujakshan